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**FILED**

10-11-16

10:28 AM

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Regarding Policies, Procedures and Rules for Regulation of Physical Security for the Electric Supply Facilities of Electrical Corporations Consistent with Public Utilities Code Section 364 and to Establish Standards for Disaster and Emergency Preparedness Plans for Electrical Corporations and Regulated Water Companies Pursuant to Public Utilities Code Section 768.6.

Rulemaking 15-06-009  
(Filed June 11, 2015)

**ADMINISTRATIVE LAW JUDGE'S RULING REGARDING THE QUESTIONS PRESENTED BY PRESIDENT PICKER AT THE PREHEARING CONFERENCE**

**Background**

On June 11, 2015, the California Public Utilities Commission (CPUC) approved an Order Instituting Rulemaking (OIR) to establish policies, procedures, and rules for the regulation of physical security risks to the electric supply facilities of electrical corporations consistent with Public Utilities (Pub. Util.) Code § 364 (Phase I) and to establish standards for disaster and emergency preparedness plans for electrical corporations and regulated water companies consistent with Pub. Util. Code § 768.6 (Phase II).

At the prehearing conference (PHC) held on October 29, 2015, President Picker presented several questions for the parties to consider. Due to the depth and complexity of the issues presented by these questions, the parties were unable to provide sufficient responses to these questions. The parties generally

agreed that they would need to consult with their clients and that they believed it would be appropriate to address these questions at a later date.

**Questions to be Addressed by Phase I Parties:**

The CPUC conducts proceedings that are discussed in public and records produced by the CPUC are typically available to the public. Maintaining an adequate public record without compromising national security is a challenge that the CPUC will need to address in this proceeding. In order to assist the CPUC in this proceeding, the parties in Phase I shall address the following questions:

1. How can the CPUC overcome the challenges of building a public record without compromising national security?
2. What is the CPUC's proper role in this proceeding?
3. What limits are placed upon the CPUC in this proceeding?
4. How can the CPUC ensure that the utilities are properly financing security improvements without compromising security?
5. How does the CPUC perform the central function of ratemaking and revenue oversight while maintaining security sensitive information?
6. How can the CPUC provide intervenor compensation to intervenors that help the CPUC establish a record that is confidential?

**IT IS RULED that:**

1. All parties in Phase I of this proceeding shall address the six questions presented in this ruling.

2. All Parties in Phase I of this proceeding shall file responses within 15 days of receipt of this ruling.

Dated October 11, 2016, at San Francisco, California.

/s/ GERALD F. KELLY  
Gerald F. Kelly  
Administrative Law Judge